TO THE SHAREHOLDERS IN GREAT BRITAIN

OF

THE GREAT WESTERN RAILWAY OF CANADA.

HAMILTON, Canada West, 14th August 1856.

GENTLEMEN,—

This letter is carried to England by John McLeod, Esquire, President of the Amherstburgh and St. Thomas Railway, which is the *Western* half of the Line to be called The Great South Western, until we succeed in making it the South Line of the Great Western Railway; and Mr. McLeod is accompanied by Mr. Hodge, the Chief Engineer of the *Eastern* half of the Great South Western, extending from the Suspension Bridge, Niagara Falls, to St. Thomas, and communicating with the City of Buffalo by the Buffalo and Brantford Railway, which it crosses at Dunnville. I have induced these gentlemen to proceed to England for the purpose of satisfying you that it will be infinitely better for the friends of the Great Western Railway to unite in constructing the Great South Western Railway, with a view to the eventual amalgamation of the Stocks of the two Lines, than to lay out their money in building a double track on the Great Western.

Most of you are are aware of my being one of the original promoters of the Great Western Railway, and I am led now to interfere, to save the interests of the Shareholders, in consequence of my having, in conjunction with my brother, Mr. Peter Buchanan, of Glasgow, and our partner, Mr. Harris, the President of the Company, been the means of inducing a large part of the original subscribers, as well as of the present holders of the Stock, to subscribe their money to the Great Western Railway. We gave this advice under the full persuasion in our own minds that the Stock of the Great Western Railway would turn out and continue permanently the finest property in the world, *and so it may still be*, if common intelligence and a little energy is used at the present crisis. Every Shareholder probably is aware that since the Great Western was projected, another great Railway organization, called the Grand Trunk Railway, was commenced in the Eastern part of the Province; but few are aware of the great exertions by the friends of the Great Western here which have been required to prevent the invasion of our territory by this powerful Company, in their natural efforts to redeem to the greatest extent their magnificent, but unfortunately rather premature undertaking. And within the last month, it has only been by exertions almost superhuman of the friends here of the Great Western, that they have averted a well concerted conspiracy, by a combination of parties here and in England, (jealous of its wonderful prosperity and now excellent economical management,) whose success would have made to disappear at once the million of pounds sterling of premium at which our Stock now stands. As one of yourselves I see that by a firm and decided effort at self-preservation at this moment, the Great Western Railway may not only save its interests in the present, but place them for ever free from the blasting influence of the Grand Trunk, and all its enemies, external and internal, in Canada and in England.

My interference on your behalf has been two-fold. In the *first place*, in concert with some friends here, about six months ago, I pointed out that, in the now altered circumstances, it would be sheer folly to lay out in building a double track of the Great Western the money provided for that purpose in England. And, in the *second place*, in concert with the same friends here, (after receiving the approval of parties in England, connected with the Great Western, who have the best opportunities of judging,) about a month ago, I personally interfered, and, by a rapid movement, defeated a deep laid conspiracy to do away with our independence of the Grand Trunk Railway in Canada, on the one hand, and of the United States Railways, east and west of us, on the other. As there was no time to communicate with England, I undertook the vast responsibility of stepping forward, and, by paying the necessary deposits, I have got possession of the Charters and Stocks of the whole Great South Western Line, so that I am in a position to offer the same to the Shareholders of the Great Western Railway, *pro rata*.

My success will not only save your Stock and greatly increase its value as an investment, but place it beyond the influence for the future of that unwholesome or *unprincipled* competition now universally reprobated in England, and which was some time ago so well exposed in a Railway paper by Mr. Lawrence Heyworth, M.P. I have got the controul of both charters which comprise the Great South Western line, and have elected the friends of the Great Western Railway as Directors of both. It was intended that Mr. Harris, the President of the Great Western, Mr. J. B. Smith, M.P., the Chairman of our English Directors, and our English Directors, should have been nominated to constitute half these new Boards, as the best means of securing your confidence, but it was found that the charters required the Directors to be resident in Canada. This, however, can be arranged as soon as these Roads are amalgamated with the Great Western. I myself am President of the Eastern half of the Great Southern line, and John McLeod, Esquire, of Amherstburgh, of the Western half. This gentleman, accompanied by Mr. Hodge, the Chief Engineer of my (the Eastern) half of the Line, goes home by this steamer. They will be found at the office of the Great Western Railway, in London, and will be prepared to go into all details with you either individually or collectively, when I doubt not you will cordially approve of all we have done for you. There is no doubt, however, that if left to stand alone, the Great Southern Road will form the finest property that can be conceived. Most of the way from Niagara Falls to the Detroit River, the country is entirely flat. There is scarcely any Engineering difficulty on the whole line, and the only expensive thing will be the bridge across the Grand River at Dunnville, which it is said will cost Twenty-five Thousand Pounds, or more, according as we are fortunate or otherwise in the foundations of the piers. A considerable outlay will also be required in bridging between Amherstburgh and the United States side of the Detroit River, as in this way it is proposed to reduce the width of the Steamboat ferry to one half what it is at the terminus of the Great Western Railway at Windsor.

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It is thus obvious that the Great South Western can be built for little more than one half the cost of the Great Western Railway; but I would recommend the grading and structures being made at once for a double Track of the most substantial character, and the iron should be very much heavier than on the Great Western or any American Railway, the Engines and freight Trains on the Great Western having proved to be much more ponderous than was anticipated by any one.

In a year or two there will be plenty of employment for both the Great Western Railway and the Great South Western Railway, [illegible] are [illegible]. Even at this moment the traffic exists, but the business of the Railways in Canada is limited by the [illegible] of the Railways in United States, East and West of us, a matter becoming daily remedied.

In perusing what I have written, I fear that I may not have explained sufficiently the circumstances with which we had to deal, and I now proceed to do so. After you had as Shareholders so promptly subscribed your money for the doubling of the Track of the Great Western Railway, your friends here discovered a new element for consideration.

By admitting the necessity of a double Track for our Road, we had practically admitted the necessity of the Southern line, and in fact its necessity was otherwise becoming obvious; while we could no longer conscientiously oppose it on the same ground we had done this hitherto—viz: that the Great Western should first be allowed to be successful. And in face of the immediate construction of a Southern line nearly parallel with ours it became a grave question whether your money should be laid out on doubling the difficult and circuitous line of the Great Western Railway, seeing that for *through traffic*, the Southern Line, as being without heavy grades, would be preferred.

We made up our minds to recommend you to keep the money provided for the double track of the Great Western Railway, and to apply a similar sum to the construction of the Great South Western, with a view to its eventually being coalesced with the Great Western Railway, and to be called the Great Western Railway's *Southern* Line.

This course seemed clearly your interest, even if it was not (as it turned out to be,) absolutely necessary to prevent the success of another repetition of the old attempt of the friends of the Grand Trunk Railway, to amalgamate the Great Western Railway with the Grand Trunk, than which no greater calamity could occur to our shareholders. We, on this side, were moving forward, but, with the caution of parties who, while anxious to serve their friends, felt how easy it would be for the conspirators, external and internal, by using their influence from apparently different points in England, to overpower us with misrepresentations, unless circumstances against them were very extraordinary, or the exposure of their selfish schemes very complete. In this state of things, however, occurrences here became *very extraordinary*, (the Stock Books being attempted to be surreptitiously closed, to prevent any others subscribing, except Mr. Zimmerman and nine of his friends, to give him the contract on his own terms, and to hand over the Railway to whichever interest he pleased,) and made it obvious that unless some individual, at once, assumed vast responsibility, (no less a responsibility, in fact, than to subscribe for the whole Stock of the Great South Western,) our object could never again, or at a future time, be attained of securing the control of this line, so as to offer it to the Shareholders of the Great Western. We saw that the Grand Trunk was about to be enabled by those (its friends,) who would build the Southern Road, to invade the Great Western's Territory, and attain the object of its long desire, by *crossing to the South* of the Great Western at London, and, after running parallel with us for 110 miles, secure, on the Detroit River, a better Western terminus than the Great Western, as finding itself brought into direct communication, not only (as we are) with the Michigan Central at Detroit, but with the Michigan Southern at Amherstburgh.

The friends of the Grand Trunk, by building the Great South Western, were not only about to do an infinite service to the Grand Trunk, but were about to do an excellent thing for themselves, through extending the Road parallel with the Great Western, not only from Detroit to London, but from London eastward to Suspension Bridge and Buffalo. And their sanguine expectation was that the Great Western, when made to appear *crushed between the Grand Trunk to the North and the Great South Western to the South*, would at once be robbed of its present twenty-five per cent. premium, and eventually frightened into amalgamation with the Grand Trunk. It was at this crisis that I stepped forward and got hold of the two Railway Charters, as I have explained.

As I have before said, our triumph is complete:—

1st. We have managed to get the Great South Western as an ally and assistant to the Great Western Railway, when, otherwise, it would have been a most powerful opponent—too powerful an opponent—if (as was stated) the New York Central and Michigan Central were both under promise to throw their whole traffic over this new cheap single line, even, although, (to accommodate this very traffic,) we might irrevocably have made the Great Western more expensive by adding the double track.

2nd. Besides saving the Shareholders of the Great Western Railway from certain loss in the future, and sustaining the present premium of the Stock, I have placed myself in a position to offer them a property so much better than their own, as, when amalgamated with it, gradually to increase the premium on the Stock, and secure the permanency of the Dividends of the Great Western Railway. A very large bonus for this property could, no doubt, be got from the parties who desire an opposition line, for all admit that the 230 miles of *through main line*, covered by the Charters in my hands, are the finest occupied or unoccupied Railway Line in America, perhaps in the world, while the Road can be built at the smallest possible cost, the country between the Niagara and Detroit Rivers being nearly a dead level.

Every consideration of private interest dissuaded me from so great an undertaking; but I was led to make up my mind to this bold stand in defence of the property of the Great Western Railway, in which so many of my friends are so deeply involved, by having it clearly shewn me that our Railway was about being betrayed to most powerful opponents by its pretended friends. I did not act till after I had it from the best authority that when the late Directors of the Eastern half of the Great Southern Railway (*which has a right to amalgamate the other half*) expressed themselves to Messrs. Zimmerman and O'Reilly as anxious to know what parties of influence and means they had behind them in their proposal to build the Great South Western Railway, they mentioned the names of Mr. Brydges the Managing Director of the Great Western Railway! and the Honorable Erastus Corning who is President of the New York Central, and has a controuling power in the Michigan Central.

It was not in his own strength, but in the power of truth, and in the name of justice, that any individual could have dared to grapple

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single handed with the united influences of Government, the Grand Trunk, the New York Central and the Michigan Central Railways, in league with a conspiracy of sordid self-seekers inside our Railway here and in England. I may explain that in fighting Mr. Samuel Zimmerman, the great contractor, called *the Railway King of Canada*, we have on more than this occasion been made to feel that we actually had the Government of Canada opposed to us. Old personal friendships prevent me saying more than what is known to every one here, viz: that Mr. Zimmerman undoubtedly had in his powerful hands the celebrated Prime Minister of Canada, Mr. Hincks, (a minister so talented as to be able to govern the Province without a principle) and that later Governments have amounted to no more than reflections of Mr. Hink's departing glory. As to the Grand Trunk's anxiety to defeat us, we need only look to its organ the Toronto *Leader*, which now daily teems with denunciations and misrepresentations of our late proceedings; but we may also appeal to the press and people of London, whether the Grand Trunk did not promise them a road from London to Detroit, alongside the Great Western. And as to the part taken in the conspiracy by Mr. Brydges, and the Railways east and west of us in the United States, the incident regarding Mr. Brydges and Mr. Corning, furnished above, seems quite conclusive.

There is only one point more on which I desire to put you on your guard. Enemies *then* the Railway, chagrined to see that their friends without have been so signally defeated, have got up the "cry" that we intend to incorporate Branches with the Main Southern Line. I would simply say that SUCH REPORTS HAVE NO FOUNDATION WHATEVER. We may make running arrangements with Side roads, but there is no idea of incorporating our Capital with the Hamilton and Port Dover, or any other Branch Road.—Let me, also, put you on your guard against interested parties raising the, at present, useless discussion as to the comparative claims of Amherstburgh and Windsor as the best Western terminus. We have both open to us, and shall avail of both, if this is seen to be the interest of those who take up the Great South Western Stock.

And apologizing for the great length of this letter,

I have the honor to be, Gentlemen,

Yours respectfully, and faithfully,

ISAAC BUCHANAN.

P. S.—You may repose in the most confident reliance that public opinion here, and the Provincial Parliament (especially now that the Upper House has been made elective) will prevent us being infringed upon by the Government, *if we are only seen going on at once, determined to build the Great Southern Railway.* We must, however, move forward without delay in the work, and it is to hasten this that Messrs. McLeod and Hodge go to England. They will tell you that our organization here is perfect. Honest Engineers of the greatest experience are on the ground, and in running out the Line no considerations will be had in view except economy (which is the great principle in Railways) the public interest, and the interest of the Shareholders. And as to your arrangements in England, I shall at once feel at ease if I find that my brother, Mr. Peter Buchanan of Glasgow, will consent to act as agent in the present case, and organize this Company in London as he did the Great Western Railway, making sure that in giving out the shares, the condition is made that the Stock of the Great South Western Railway and of the Great Western will be amalgamated when the time arrives that this can be legally consummated.

I. B.